

U.S. v. Edward S. Adams
Case No. 17-64 (DWF/KMM)

Exhibit 57

LETTER AGREEMENT

February 23, 2007

Robert C. Linares (Chairman)

Apollo Diamond, Inc.

Re: DL Investments, (and/or otherwise) ("DL")

Dear Bob,

As we have discussed, I am interested in again potentially selling warrants owned by me in Apollo Diamond, Inc. ("Apollo"). To accommodate my desire, I propose the following terms for your consideration and approval:

I (or potentially "ESA Consulting" or Apex Capital") will be permitted to "contingently" sell warrants I own in Apollo or Apollo Diamond Gemstone Corporation ("ADGC") to third party accredited investors who are not believed to be potential or prospective competitors of Apollo or ADGC.

To try and ensure adequate capitalization in the future for Apollo (or potentially ADGC), I agree to retain at least \$750,000 in readily available funds (including \$250,000 in liquid funds) for reinvestment in Apollo, if required (as determined by Apollo or ADGC, respectively) under commercially reasonable terms, as agreed to by and between ESA and Apollo. In other words, we intend that this transaction shall be treated as a "contingent installment" sale whereby I will be obligated to provide the funds detailed back to Apollo until the earlier of the date on which Apollo undertakes and completes a successful financing in the amount of \$20,000,000 in equity investment or December 31, 2015.

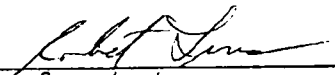
Please know that I will work with you to provide tireless service to Apollo and/or ADGC. Please also know that we will need to revisit this agreement or understanding, if either our family loses control of Apollo or ADGC or other events dictate a material change in circumstance for Apollo or ADGC. In these circumstances, you have my commitment that I will work to further the interests of Apollo (and ADGC) and its shareholders consistent with the circumstances.

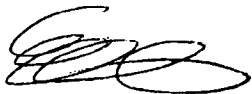
ACCEPTED AND ACKNOWLEDGED AS OF EVEN DATE HERewith

APOLLO DIAMOND, INC.

By: _____

Its: _____


President



Edward S. Adams

ESA001227